

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

1200 19TH STREET, N.W.

SUITE 500

WASHINGTON, D.C. 20036

(202) 955-9600

REC'D TN
REGULATORY AUTH.

'00 AUG 24 PM 2 27

OFFICE OF THE
EXECUTIVE SECRETARY

FACSIMILE

(202) 955-9792

www.kelleydrye.com

WRITER'S DIRECT LINE
(202) 887-1209

WRITER'S E-MAIL
Mhazzard@kelleydrye.com

NEW YORK, NY
LOS ANGELES, CA

CHICAGO, IL

STAMFORD, CT

PARSIPPANY, NJ

BRUSSELS, BELGIUM

HONG KONG

AFFILIATE OFFICES

BANGKOK, THAILAND

JAKARTA, INDONESIA

MANILA, THE PHILIPPINES

MUMBAI, INDIA

August 22, 2000

Mr. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37219-0412

Re: Response to Data Request of Application of Valor Telecommunications
CLEC of Tennessee, LLC for Certification of Public Convenience and
Necessity to Provide Competing Local Telecommunications Services in
the State of Tennessee – Docket No. 00-00681

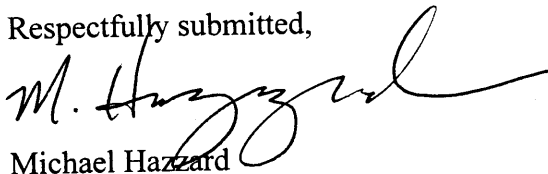
Dear Mr. Waddell:

In response to the Tennessee Regulatory Authority's ("TRA") data request, dated August 4, 2000 please an original and thirteen (13) copies of Valor Telecommunications CLEC of Tennessee, LLC (VALOR CLEC Tennessee) data responses.

Please note that the financial requirements included in this data response contains confidential and proprietary information. For this reason, the financial portion of the data response has been submitted to the Commission *under seal* for the purpose of the TRA's *in camera* review.

If you have any questions concerning this filing, please do not hesitate to contact me.

Respectfully submitted,



Michael Hazzard

Enclosures

POSTED
8/24/00

Before the
TENNESSEE REGULATORY AUTHORITY

REC'D TN
REGULATORY AUTH.

'00 AUG 24 PM 2 34

Application of

VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC
For a Certificate of Public Convenience
And Necessity to Provide Competing
Local Telecommunications Services
In the State of Tennessee

)
)
)
)
)
)
)

CLIVE W. HARRIS
EXECUTIVE SECRETARY
EDocket No. 00-00681

**VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC REPLIES TO
TRA DATA REQUEST**

Valor Telecommunications CLEC of Tennessee , LLC (“VALOR CLEC Tennessee” or
“Applicant”), by its attorneys, submits the following answers to the Tennessee Regulatory
Authority’s (“TRA”) data requests.

MANAGERIAL REQUIREMENTS:

**1. Provide the following managerial information of the Applicant (Degrees and
Professional Licenses)**

Please find attached hereto as *Exhibit A*, a revised set of Valor CLEC Tennessee’s
management biographies, which include their educational status and degrees held.

TECHNICAL REQUIREMENTS:

1. Geographic area of coverage. Specify which areas will be excluded.

VALOR CLEC Tennessee is seeking state-wide, facilities-based CLEC authority.

However, VALOR CLEC Tennessee will initially provide service in Memphis.

2. Location of Switches

VALOR CLEC Tennessee currently does not have any switches in Tennessee. Applicant does, however, have switches in Texas, New Mexico and Oklahoma. VALOR CLEC Tennessee intends to purchase Unbundled Network Elements (“UNE”) from Bell South, which will be connected to its out-of-state switches as part of Applicant’s “smart-build” strategy, which is described more fully in Exhibit C of VALOR CLEC Tennessee’s Application.

3. Type of Equipment

VALOR CLEC Tennessee’s network consists of Nortel and Lucent switches and a mixture of copper and fiber cable with various types of terminating equipment consisting of Synchronous Optical Network (“SONET”), Asynchronous Transfer Mode (“ATM”), Multiplexers, Digital Loop Carrier (“DLC”) and Digital Subscriber Line Access Multiplexer (“DSLAMs”).

4. State if there are any special Customer Premise Equipment (“CPE”) requirements that would not be compatible with the network of the incumbent carrier.

VALOR CLEC Tennessee does not have any CPE that would be incompatible with the incumbent’s network.

Financial Requirements

1. Most recent audited financial statements

VALOR CLEC Tennessee is a start-up company and therefore does not currently possess any audited financial statements.

2. Three year projected financial statements prepared according to GAAP

Please see *Exhibit B*, attached hereto, for VALOR CLEC’s projected income statement, cash flow statement and balance sheet.

3. Three year capital expenditures budget which includes equipment to be deployed; cost of equipment and sources of funding the Tennessee network, equipment, and UNEs: cash, loan commitments, vendor credits, letters of credit, etc.

Please see *Exhibit C*, attached hereto, for VALOR CLEC Tennessee's three-year estimated capital expenditure budget. Also attached is a letter of guarantee of applicant's parent company, Valor Telecommunications Southwest ("VALOR Southwest"), and commitment letter for VALOR Southwest's senior debt financing.

4. Please quantify amounts, if any, included in financial statements and projections relating to reciprocal compensation for terminating ISP traffic.

Reciprocal Compensation is not a factor in any of VALOR CLEC Tennessee's financial forecasts.

5. Provide a statements outlining the Applicant's intent to abide by TCA §65-4-125 and provide a corporate surety bond by September 1, 2000 if applicable.

VALOR CLEC Tennessee does not own facilities in Tennessee with a value of more than \$5,000,000 and therefore, the provisions of TCA §65-4-125 do not apply.

TRA Rules for Local Telecommunications Providers

Please find attached hereto as *Exhibit D* a copy of VALOR CLEC Tennessee's Notice of Filing which was sent to all Incumbent Local Exchange Companies in the State of Tennessee.

Toll Dialing Parity Plan

1. State whether a Primary Interexchange Carrier ("PIC") charge waiver period is proposed and for how long.

Attached hereto as *Exhibit E* is a revised version of VALOR CLEC Tennessee's IntraLATA Toll Dialing Parity Plan. Stated under the heading *Free Presubscription Selection Period*, a consumer has thirty (30) days to make an initial PIC selection free of charge.

2. Include anti-slamming procedures.

Please see *Exhibit E*, heading *Business Practices/Anti-Slamming Procedures*.

3. Include statement concerning nondiscriminatory access to telephone numbers, operator services, directory service, directory assistance and directory listings.

Please see *Exhibit E*, headings *Business Practices/Anti-Slamming Procedures & Network Information & Dialing Plan*.

Tennessee Specific Operational Issue

1. How does the company intend to comply with TCA §65-21-114? In this description, please explain technically how the company will not bill for county-wide calls within Tennessee?

Applicant plans to mirror the calling areas of BellSouth within the State of Tennessee, and in doing so, will program its switches in a way consistent with TCA §65-21-114. To the extent that Applicant in the future adopts calling areas larger than that of BellSouth, Applicant will abide by TCA §65-21-114 and other relevant rules of the TRA and the laws of the State of Tennessee

2. Is the company aware of the Tennessee County Wide Calling database maintain by Bell South and the procedures to enter you telephone numbers into the database?

Applicant is aware of the Tennessee County Wide Calling database maintained by BellSouth and the procedures for including telephone number in that database. Applicant

will work with BellSouth through the interconnection implementation process to ensure that all numbers are accurately maintained in the Tennessee County Wide Calling database.

3. Is your company aware of the local calling areas provided by the Incumbent Local Exchange Carriers in your proposed service areas?

Applicant is aware of the local calling areas provided by the Incumbent Local Exchange Carriers in its proposed service areas in the State of Tennessee.

4. Explain the procedures that will be implemented to assure that your customers will not be billed long distance charges for calls within the metro calling areas.

Applicant plans to mirror the calling areas of BellSouth within the State of Tennessee, and in doing so, will program its switches in a way consistent with metro calling areas designated by the TRA. Applicant also will monitor TRA proceedings and participate in industry forums that address modifications to calling areas, including metro calling areas, in the State of Tennessee.

5. Please provide the name and telephone number of an employee of your company that will be responsible to work with the TRA on resolving customer complaints.

While VALOR CLEC Tennessee has not begun providing service, currently the contact for customer complaints is:

Paul Pickett
Vice President, Sales and Marketing
Tel.: (972) 373-1005
Fax: (972) 373-1050
Email: ppickett@valortelecom.com

6. Does the company intend to telemarket its services in Tennessee? If yes, is the company aware of the telemarketing statutes and regulations found in TCA §65-4-401 et seq. and Chapter 1220-4-11?

While VALOR CLEC Tennessee is still finalizing its CLEC business plans, at this time it does not intend to telemarket its service in Tennessee. However, VALOR CLEC Tennessee is aware of the telemarketing status and regulations found in TCA §65-4-401 et seq. and Chapter 1220-4-11 and will follow such rules if it engages in telemarketing in the future.

Miscellaneous Requirements

1. Sworn prefiled testimony

Attached hereto as *Exhibit F* is the prefiled testimony of Paul Pickett, Vice President of Sales and Marketing for VALOR CLEC Tennessee.

2. Tariff should be filed subsequent to operations.

VALOR CLEC Tennessee will file its tariff before commencing operating in Tennessee.

3. Applicants involvement in any pertinent mergers, acquisitions, etc.

VALOR CLEC Tennessee is not currently involved in any mergers or acquisitions.

4. Are customer deposits required? If so, what amount is required? Is the applicant bonded for the amount of the deposits.

VALOR CLEC Tennessee does not intend to require customer deposits. If Applicant decides to do so in the future, Applicant will abide by all TRA rules and regulations and submit a bond for the amount of the deposits.

7. Identify all complaints filed with the state and federal regulatory agencies involving your company or affiliated entities. Identify the nature of the complaint, which

governmental agency or office received the complaint, how the complaint was resolved.

(note, questions 5 & 6 are duplicates of questions 2 & 3).

Neither VALOR CLEC Tennessee, nor any of its affiliates have had complaints filed against them by any state or federal agencies.

8. Please state of the applicant plans to offer services in areas served by any incumbent local exchange telephone company with fewer than 100,000 total access lines.

VALOR CLEC Tennessee does not plan to offer service in areas serviced by any incumbent local exchange telephone company with fewer than 100,000 total access lines.

EXHIBIT A

MANAGEMENT BIOGRAPHIES

**STATEMENT OF MANAGERIAL AND TECHNICAL QUALIFICATIONS
VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC**

Valor Telecommunications CLEC of Tennessee (“VALOR CLEC Tennessee”) is managerially and technically qualified to operate as a provider of resold and facilities-based local telecommunications services in the State of Tennessee. Although it is a start-up company, VALOR CLEC Tennessee has access to significant capital and substantial technical and managerial expertise. The company’s management team includes individuals with substantive experience in successfully developing and operating telecommunications businesses. This is evident by the fact that, between them, VALOR CLEC Tennessee’s management has over sixty (60) years of experience in the telecommunications industry. VALOR CLEC Tennessee also has adequate internal technical experience to support its Tennessee operation, such as Mark Zits, VALOR CLEC Tennessee’s Vice President of Customer Operations, and Bob Mathew, Vice President of Network Planning. This expertise in the telecommunications industry makes VALOR CLEC Tennessee management team well qualified to construct, operate and manage VALOR CLEC’s local exchange network in Tennessee.

The following is a list of VALOR CLEC Tennessee’s management team, which includes all of its officers as well as other executive personnel:

**Anne K. Bingaman
Kenneth R. Cole
John A. Butler**

Michael A. Page

Mark S. Zitz

**Bob Mathew
Grant Rany
Jerry Allen
Paul Pickett**

**President and Chief Executive Officer
Chief Operating Officer
Executive Vice President and
Chief Financial Officer
Vice President, Business Develop and
Secretary
Vice President, Customer Operations and
Assistant Secretary
Vice President, Network Planning
Vice President Field Operations
Vice President, Accounting and Finance
Vice President, Sales and Marketing**

All of the above management team members are located at the Company's headquarters at 600 E. Las Colinas Boulevard, Suite 1900, Irving, Texas 75039 (972) 373-1000. Collectively, the members of VALOR CLEC Tennessee's management team have designed, managed and/or operated telecommunications facilities throughout the United States. As demonstrated by the following executive profiles, VALOR CLEC Tennessee has the adequate technical and managerial experience to develop and maintain successful local exchange operations in State Tennessee.

EXECUTIVE PROFILES

VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC

ANNE K. BINGAMAN, *President and Chief Executive Officer*

A veteran of the telecommunications industry, Anne Bingaman most recently served as President of the Local Services Division of LCI International, Inc. (now Qwest Communications) where she built and completed the rollout of LCI's local telecommunications services in 31 major U.S. markets and grew LCI's local services business from 30 to over 120 employees in eighteen months. Previously, Ms. Bingaman served as Assistant Attorney General in charge of the Antitrust Division at the United States Department of Justice (DOJ) from June 1993 to October 1996. As Assistant Attorney General, Ms. Bingaman played a key role in the development of the Administration's telecommunications policy, including the landmark 1996 Telecommunications Act. Ms. Bingaman has also practiced law as a partner and head of the litigation department at the Washington, D.C. office of the Atlanta-based law firm of Powell, Goldstein, Frazer & Murphy and was a founder and partner in the law firm of Bingaman & Davenport in Santa Fe, New Mexico. Ms. Bingaman received her B.A. from Stanford University and her J.D. from Stanford University as well.

KENNETH R. COLE, *Chief Operating Officer*

Kenneth Cole has served as Chief Operating Officer of Valor Telecommunications since January 18, 2000. In this capacity, Mr. Cole oversees all of Valor's operations, as well as Valor's CLEC operations. For the past twenty-six years, Mr. Cole has held a variety of leadership positions at CenturyTel, Inc., the nation's seventh largest local phone service provider and ninth largest cellular provider. Most recently, before joining Valor Mr. Cole served as CenturyTel's Chief Operating Officer and Executive Vice President. In that position, Mr. Cole was responsible for all of CenturyTel's lines of business including the management of 1,200,000 local access lines in 21 states. As Chief Operating Officer, Mr. Cole was involved in all aspects of the operational, regulatory and financial performance of CenturyTel, a \$1.6 billion company in annual revenues

JOHN A. BUTLER, *Executive Vice President and Chief Financial Officer*

John Butler serves as Chief Financial Officer and is responsible for all financial operations for Valor Telecommunications as well as Valor's CLEC operations. Mr. Butler joined Valor from Commonwealth Telephone Enterprises (CTE) where he served as Executive Vice President and Chief Financial Officer since 1998. While at CTE, the nation's 9th largest independent telephone company, Mr. Butler was responsible for CTE's finance, accounting and treasury areas including capital markets, financial planning and a variety of other activities. Previously, Mr. Butler was a Director in the Corporate Finance arm of the Media and Communications Group at First Union Capital Markets in Charlotte, North Carolina. During his four years at First Union, Mr. Butler

originated, structured, syndicated and closed a variety of capital markets transactions for long-distance, local exchange, CLEC and wireless companies. Mr. Butler also held telecom corporate finance positions at CoBank and The First National Bank of Chicago. Mr. Butler received a B.B.A. from University of Notre Dame and an M.B.A. from University of Texas.

MICHAEL A. PAGE, *Vice President, Business Development and Secretary*

Michael Page brings eight years of telecommunications experience to VALOR CLEC Tennessee with a focus on product development, product management and corporate development. From 1996-1998, Mr. Page was employed by LCI International, Inc. ("LCI") (now Qwest Communications) where he served as Senior Manager, General Business Markets and Senior Manager, Local Product Development of LCI's CLEC operations. While at LCI, Mr. Page had product management responsibility for the company's mid-market commercial telecommunications products. Mr. Page also managed the launch of local telecommunications service in eleven markets in the eastern U.S., and managed all product efforts for LCI's local services division. Mr. Page received a B.A. from Hampden-Sydney College and a M.B.A. from University of North Carolina – Chapel Hill.

MARK S. ZITZ, *Vice President, Customer Operations*

Mark Zitz brings over 16 years of telecommunications experience to VALOR CLEC Tennessee. He has extensive executive-level experience in the areas of customer service, installation and maintenance, engineering and financial operations. Previously, Mr. Zitz was Regional General Manager for commercial and consumer services at Telstra Corporation in Sydney, Australia, one of the largest local exchange carriers in Australia. He directed customer service, installation and maintenance, network design and construction, and central office switching for over 1 million customers in the central business district and surrounding suburbs of Sydney. His responsibilities also included network construction for the 2000 Summer Olympics Games. Mr. Zitz received his B.S. in Accounting from Virginia Polytechnic and State and an M.B.A. in Finance from Widener University,

BOB MATHEW, *Vice President, Network Planning*

Bob Mathew brings extensive high-level strategic planning experience in the areas of local access and high-bandwidth services to VALOR CLEC Tennessee. Previously, Mr. Mathew was Senior Manager of Access and Local Strategies and then a consultant for Qwest Communications (formerly LCI International, Inc.). While working for Qwest, Mr. Mathew developed business cases, including capitol requirements for local access networks in different metropolitan areas for both voice-grade and high-bandwidth services. He also identified and recommended local access strategies for different customers and product offerings and prepared detailed facilities cost plans to identify network synergies from the LCI/Qwest merger. Mr. Mathew also authored a primer on DSL technologies that was distributed to both state and federal regulators, and he co-authored company comments on proposed DSL regulations that were presented to the FCC. He also played a lead role in negotiation of wholesale agreements with CLECs. Mr. Mathew received a B.A. from Stanford University, a J.D. from Harvard University and a Ph.D. in Economics from Yale University.

GRANT RANY, *Vice President, Field Operations*

As Vice President of Field Operations, Grant Raney will direct all field operations in Tennessee, as well as other CLEC markets. Mr. Raney most recently served as a Vice President at Spectra Communications Group, a partnership of CenturyTel, Spectronics Corporation and Local Exchange Carriers (L.E.C.) where he managed all aspects of the telephone company's operations, including converting all systems and processes after the company purchased 126,000 local access lines in 107 exchanges in Missouri from GTE. Previously, Mr. Raney held a variety of network development and plant operations positions at CenturyTel including creating and maintaining telephone operating policies and plant services practices, providing direction and technical support to field operations and overseeing the company's Network Operations Center.

JERRY ALLEN, *Vice President, Accounting and Finance*

Jerry Allen will serve as Vice President of Accounting and Finance. Mr. Allen will oversee all accounting and billing functions for Valor Telecommunications and the Valor CLEC operations. Mr. Allen joins Valor after 20 years with CenturyTel, where he served the posts of both Vice President of Billing and Revenue Assurance and Vice President of Finance and Planning. While at CenturyTel, Mr. Allen led the accounting group during CenturyTel's acquisition of PTI Corporation, which doubled the number of the company's access lines from 500,000 to 1.2 million. In addition, Mr. Allen was responsible for implementation of the company's year-to-year operating budgets and all interstate tariff filings. Mr. Allen holds a B.A. and a M.B.A. from the University of Louisiana.

PAUL PICKETT, *Vice President, Sales and Marketing*

Paul Pickett will service as the contact for all of Valor's CLEC operations, including customer operations as well as handling customer complains and service issues. Before coming to Valor, Mr. Pickett was the General Manager of Commonwealth Telephone Enterprises (CTE) for New and Emerging Markets where he led and directed a sales force with full profit and loss responsibility for \$13 million in revenue and \$40 million in capital. Mr. Pickett was also responsible for ensuring that performance and services requirements were met in new markets. Mr. Pickett received his B.S. in Business Management from University of Maryland.

EXHIBIT B

PROJECTED FINANCIAL STATEMENTS

FILED *UNDER SEAL*

EXHIBIT C

ESTIMATED CAPITAL EXPENDITURES

& LETTER OF GUARANTEE

FILED *UNDER SEAL*

EXHIBIT D

NOTICE OF FILING

NOTICE OF FILING

PLEASE TAKE NOTICE that on July 31, 2000, Valor Telecommunications CLEC of Tennessee, LLC ("VALOR CLEC Tennessee") submitted to the Tennessee Regulatory Authority an Application for Certification of Public Convenience and Necessity to Provide Competing Local Telecommunications Services in the State of Tennessee.

VALOR CLEC Tennessee seeks authority to provide facilities-based local exchange telecommunications services throughout the state of Tennessee.

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing "Notice of Filing" was served this 8th day of August, 2000, by First Class mail, postage prepaid, on the following:

Ardmore Telephone Company, Inc.
Terry Whales, General Manager
P.O. Box 549
517 Ardmore Avenue
Ardmore, TN 38449

BellSouth Telecommunications, Inc.
Guy M. Hicks, General Manager
333 Commerce Street
Nashville, TN 37201-3300

CenturyTel of Adamsville
CenturyTel of Claiborne
CenturyTel of Ooltewah-Collegdale
G. Clay Bailey
Director of Regulatory Affairs
P.O. Box 4065
Monroe, LA 71211-4065

Citizens Telecommunications Company of Tennessee
Citizens Telecommunications Company of the Volunteer State
Mike Swatts
State Regulatory Director, South
P.O. Box 770
300 Bland Street
Bluefield, WV 24701

Loretto Telephone Company, Inc.
Louise Brown, President
P.O. Box 130
Loretto, TN 38469

Millington Telephone Company, Inc.
W.S. Howard, President
4880 Navy Road
Millington, TN 38053

Sprint-United
Steve Parrott
Director – Regulatory Affairs
United Telephone-Southeast, Inc.
14111 Capital Boulevard
Wake Forest, NC 27587-5900

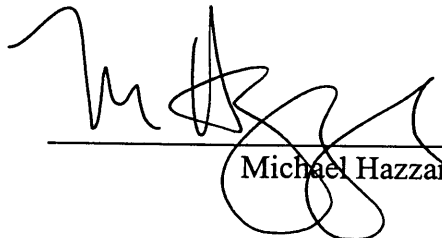
Concord Telephone Exchange, Inc.
Humphreys County Telephone Company
Tellico Telephone Company
Tennessee Telephone Company
John D. Feehan
Manager External Relations
P.O. Box 22995
Knoxville, TN 37933-0995

Crockett Telephone Company, Inc.
People's Telephone Company, Inc.
West Tennessee Telephone Company, Inc.
Jim Wingo, General Manager
P.O. Box 7
Friendship, TN 38034

United Telephone Company
Herbert Bivens, General Manager
P.O. Box 138
120 Taylor Street
Chapel Hill, TN 37034

Tennessee Telecommunications Association
226 Capitol Boulevard
Suite 212
Nashville, TN 37219

Tennessee Telephone Cooperatives
Ozle L. Allen
2755 Short Mountain Road
McMinnville, TN 37110



Michael Hazzard

EXHIBIT E

INTRALATA TOLL DIALING PARITY PLAN

INTRALATA TOLL DIALING PARITY PLAN OF
VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC

Valor Telecommunications CLEC of Tennessee, LLC (“VALOR CLEC Tennessee”) hereby respectfully files this IntraLata Toll Dialing Parity Plan (“Plan”) in conformity with the Tennessee Regulatory Authority’s (“TRA’s”) *Order Approving the IntraLATA Toll Dialing Parity Implementation Plan*, Docket No. 99-00346 (Oct. 1, 1999), and the Federal Communications Commission’s (“FCC”) Order in *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Petition of Southwestern Bell Telephone Company, Pacific Bell, and Nevada Bell for Expedited Declaratory Ruling on Interstate IntraLATA Dialing Parity or, in the Alternative, Various Other Relief*, CC Docket No. 096-98, NSD File No. 98-121 (rel. Mar. 23, 1999) (“Dialing Parity Implementation Order”). This Plan sets forth VALOR CLEC Tennessee’s proposal for providing intraLATA parity within the State of Tennessee for customers subscribing to VALOR CLEC Tennessee’s services.

APPLICABILITY: This plan for providing dialing parity is intended to apply to all dial-tone lines provisioned by VALOR CLEC Tennessee in the State of Tennessee.

AVAILABILITY: VALOR CLEC Tennessee will provide full 2-PIC dialing parity in all exchanges in each LATA in which VALOR CLEC Tennessee provides services in Tennessee.

IMPLEMENTATION DATE: Following the TRA’s approval of its Application for a Certificate of Public Convenience and Necessity to provide competing local and interexchange

telecommunications services in the State of Tennessee (“Application”), to which this Plan is appended as Exhibit G, VALOR CLEC Tennessee will implement this Plan so that it will be in place prior to the time that VALOR CLEC Tennessee begins the provision of service to Customers in Tennessee.

METHODOLOGY: VALOR CLEC Tennessee will provide full 2-PIC (intraLATA and interLATA toll) dialing parity, allowing VALOR CLEC Tennessee’s new and existing customers to pre-subscribe to one carrier for all interLATA calls, and to the same or another carrier for all intraLATA toll calls. A maximum of one interLATA interexchange carrier (“IXC”) and one intraLATA IXC may be selected.

TECHNICAL IMPLEMENTATION: VALOR CLEC Tennessee will offer dialing parity for all toll calls. Each Customer requesting local exchange service from VALOR CLEC Tennessee will be given the opportunity to affirmatively select a presubscribed carrier of the Customer’s own choosing for intraLATA toll and interexchange toll calls. This will allow a Customer to presubscribe to its preferred carrier for intraLATA toll calls, and to the same or a different carrier for interLATA toll calls, be it VALOR CLEC Tennessee or another preferred carrier.

BUSINESS PRACTICES/ANIT-SLAMMING PROCEDURES: VALOR CLEC Tennessee will comply fully with the TRA’s and the FCC’s rules and policies for initiating, submitting, processing and verifying Customer PIC selections. VALOR CLEC Tennessee will ensure that all Customers are aware that they have a choice of intraLATA, as well as interLATA, toll carriers. After each Customer is given an opportunity to affirmatively select an intraLATA and interLATA toll carrier, the Customer will be able to verify its selection, at any time, by dialing a toll-free number.

VALOR CLEC Tennessee will respond to Customer requests for information about other intraLATA carriers in a competitively-neutral fashion. To this end, VALOR CLEC Tennessee will maintain a list of available toll carriers and keep it updated, and will process a customer's PIC change to a toll carrier other than VALOR CLEC Tennessee in the same fashion and in the same time frames as a request to presubscribe to itself. VALOR CLEC Tennessee will process intraLATA PIC selections in the same manner and under the same intervals of time as interLATA PIC selections.

In response to each request for VALOR CLEC Tennessee's services, a VALOR CLEC Tennessee sales engineer or third party agent will inform the Customer that VALOR CLEC Tennessee will presubscribe the Customer's toll service to both the intraLATA and the interLATA toll carrier(s) of the Customer's choice. VALOR CLEC Tennessee will ensure that *all* Customers have signed contracts with the Company, and that separate Letters of Authorization ("LOAs"), in conformatiy with FCC requirements as set forth in 47 C.F.R. §64.1160 are routinely obtained where Customers of other carriers choose to purchase VALOR CLEC Tennessee's local and long distance services. It is the policy of VALOR CLEC Tennessee to have both the channel partner and a Company sales engineer present at the Customer's premises for the purpose of informing the customer, in person, of the Company's specific service offerings, as well as to address any questions that the Customer may have, and to install the Company's Customer Premises Equipment ("CPE") for the Customer.

When a Customer signs a contract for service with VALOR CLEC Tennessee, the Customer is given the opportunity to affirmatively sign a letter of authorization with three (3) *separate* lines of service authorization: (1) the first, to authorize its local telephone service to be switched to VALOR CLEC Tennessee; and/or (2) the second, to authorize its intraLATA toll

telephone service to be switched to VALOR CLEC Tennessee or another preferred carrier; and (3) the third, to authorize its interLATA toll service to be switched to VALOR CLEC Tennessee or another preferred carrier. In this way, the Customer knows that a choice can be made among carriers. The channel partner is instructed to accept signatures only from those individuals having the appropriate authority to bind the Customer to the contract.

VALOR CLEC Tennessee will treat all competing carriers on a nondiscriminatory and by means of its dialing plan, outlined below, allow Tennessee consumer nondiscriminatory access to telephone numbers, operator services, directory services, directory assistance and directory listings.

The Company believes that its unique policies of ensuring that authorized Customers *personally* sign up for the Company's service in the presence of a qualified agent able to answer their questions regarding the contract or authorizations or the service expected to be provided will successfully preempt the impermissible switching of a Customer's telecommunications services, and will comply fully with both state and federal dialing parity regulations.

NETWORK INFORMATION: All originating intraLATA traffic initially will be routed via BellSouth's end office switch/access tandem. Through switch translations, VALOR CLEC Tennessee will hand-off intraLATA toll traffic to BellSouth for termination.

DIALING PLAN: The following matrix outlines the proposed routing of calls by VALOR CLEC

Tennessee:

0	VALOR CLEC Tennessee local and Toll Operator Service.
1+10 digits	Direct-dial to presubscribed intraLATA Toll Provider or interLATA Toll Provider (depending on 10-digit number dialed).
0+10 digits	Dial to presubscribed intraLATA Toll Provider or interLATA Toll Provider Operator Service (depending on 10 digit number dialed).
1010xxx +1+10 digits	Dial-around presubscribed intraLATA or interLATA Toll Provider to direct-dial to alternate Toll Provider (identified by code used in xxx portion of dialing request).

PRESUBSCRIPTION INFORMATION

GENERAL APPLICATION: VALOR CLEC Tennessee will neither initiate nor accept presubscription requests except in accordance with the rules prescribed by the FCC in 47 C.F.R. §§ 64.1100, 64.1150 and 64.1160, and any additional rules enacted by the TRA.

ASSIGNMENT OF NO-PIC: If a new Customer or Customer ordering an additional line does not select a service package that includes VALOR CLEC Tennessee's long distance service, the Customer's long distance service will not default to VALOR CLEC Tennessee or to any other carrier. Instead, under such circumstances, the Customer will be assigned a "NO-PIC" and will be required to make use of the services of dial-around carriers for its long distance needs (*i.e.* the Customer will have to dial an access code to make intraLATA toll calls).

FREE PRESUBSCRIPTION SELECTION PERIOD: The Company has no existing customers at this time. New Customers or Customers ordering a second line from VALOR CLEC Tennessee will

have an opportunity to select an intraLATA toll carrier at the time their service order is placed. If a Customer cannot decide upon an intraLATA toll carrier at this time, they will be assigned a NO-PIC designation, and will have thirty (30) days from the date they order local exchange service from VALOR CLEC Tennessee to select an intraLATA toll carrier. Customers may make their selection either by contacting the Company or the intraLATA toll carrier directly. The Customer's initial free PIC selection must be made within the thirty (30) days of subscribing to the Company's service. Customers may make only one (1) free selection during this period.

PIC CHANGE CHARGE: After the end of the grace period, there will be a \$5.00 PIC-change charge for each PIC change requested. This charge will be waived for one time only during the initial grace period referenced herein.

PIC FREEZE OPTION: At this time, a PIC-freeze option is not available to Customers of VALOR CLEC Tennessee.

MARKETING OF PIC FREEZES: VALOR CLEC Tennessee will not market intraLATA PIC freezes within the initial thirty (30) day grace period.

PIC FREEZE REMOVAL: As stated herein, VALOR CLEC Tennessee will not offer a PIC-freeze option at this time. In the event that VALOR CLEC Tennessee chooses to offer a PIC-freeze in the future, it will comply fully with the FCC's procedures for lifting PIC-freezes, as set forth in 47 C.F.R. §64.1190(e), and will accept three-way calls with Customers and submitting carriers to remove PIC-freezes in situations where a Customer's prescribed intraLATA toll carrier has been frozen. Where a Customer has not frozen its intraLATA PIC choice, VALOR CLEC Tennessee will accept changes initiated by any method approved by the FCC and/or the TRA.

CARRIER INFORMATION

Competing interexchange carriers ("IXCs") will have the option of offering intraLATA service only or both intraLATA and interLATA service to VALOR CLEC Tennessee's customers. Such carriers will have the option of participating in any of VALOR CLEC Tennessee's local calling areas. VALOR CLEC Tennessee follows industry standard procedures for the transport of long distance traffic, both intraLATA and interLATA, via the carrier notification process. To the extent that an interexchange carrier ("IXC") requires a contract for the transport of intraLATA traffic, VALOR CLEC Tennessee will explore entering into such a contract. VALOR CLEC Tennessee will not participate in billing disputes between alternative competing IXCs or intraLATA toll carriers and the customers of such carriers.

COST RECOVERY PLAN: At this point, and given the fact that VALOR CLEC Tennessee is not yet operational outside of the State of Texas (where it has only been providing telecommunications services on an interim basis since June, 1999), the Company has no cost recovery plan in place. All dialing parity costs eventually recovered by VALOR CLEC Tennessee will be competitively-neutral, in accordance with the guiding principles set forth in the FCC's *Dialing Parity Implementation Order*, and will conform to any specific cost-requirements or allocators for dialing parity that may established by the T.R.A.

STATEMENT OF COMPLIANCE: VALOR CLEC Tennessee will comply fully with all rules of the FCC and the TRA regarding intraLATA toll dialing parity and slamming. VALOR CLEC Tennessee in no way will restrict or interfere with the ability of its subscribers to access alternative providers of intraLATA and interLATA toll services. VALOR CLEC Tennessee's intraLATA toll dialing parity policies will be kept up-to-date.

CONCLUSION: VALOR CLEC Tennessee respectfully requests that the TRA approve its proposed plan for providing intraLATA toll dialing parity in the State of Tennessee.

EXHIBIT F

PRE-FILED TESTIMONY OF

PAUL PICKETT

**PREFILED TESTIMONY OF PAUL PICKETT,
AUTHORIZED REPRESENTATIVE OF
VALOR TELECOMMUNICATIONS CLEC OF TENNESSEE, LLC.**

Q. Please state your name, title and business address for the record.

A. My name is Paul Pickett, Vice President Sales and Marketing, Valor Telecommunications CLEC of Tennessee, LLC ("VALOR CLEC Tennessee"), 600 E. Las Colinas Boulevard, Suite 1900, Irving, Texas 75039

Q. What is the authority that VALOR CLEC Tennessee seeks in the application?

A. VALOR CLEC Tennessee seeks authority to provide competing facilities-based, local exchange services, including but not limited to: data services, digital subscriber line, and exchange access services. Applicant may also offer local services by utilizing the switching and transport capacity of other existing telecommunications providers pursuant to negotiated or tariffed arrangements.

Q. Is VALOR CLEC Tennessee financially qualified to provide the services for which it seeks authority from the Commission?

A. Yes. VALOR CLEC Tennessee is financially backed by its parent corporation, Valor Telecommunications Southwest, LLC , which has \$635 million in institutional investment. VALOR CLEC Tennessee has sufficient financial capability to provide the requested telecommunications services in Tennessee and the financial capability to maintain those services.

Q. Is VALOR CLEC Tennessee managerially qualified to provide the proposed services?

A. Yes. Applicant's management team has an aggregate of over sixty years of development

and operating experience in various segments of the telecommunications industry.

Q. Will the presence of VALOR CLEC Tennessee as an additional carrier promote the public convenience and necessity?

A. Yes. In addition to the direct benefits delivered to the public by its services, VALOR CLEC Tennessee entry into the local exchange market will benefit the public indirectly by an increase in the diversity of suppliers and competition within the local exchange telecommunications market.

Q. Does this conclude your testimony at this time?

A. Yes, it does.

VERIFICATION

State of Texas

ss.

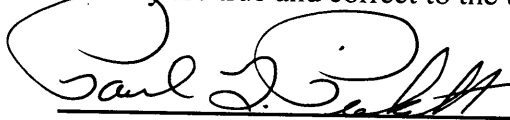
County of Dallas

Paul L. Pickett, Affiant, being duly sworn according to law, deposes and says that:

He is the Vice President, Sales and Marketing of Valor Telecommunications CLEC of Tennessee, LLC.

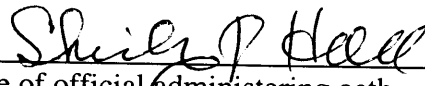
That he is authorized to and does make this affidavit for said company;

That the facts set forth in his Prefiled Testimony are true and correct to the best of his knowledge, information, and belief.



Paul L. Pickett
Vice President, Sales and Marketing
Valor Telecommunications CLEC of Tennessee, LLC

Sworn and subscribed before me this 10th day of August, 2000.



Signature of official administering oath

My commission expires _____

